
NOTE 16 – LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

The County of Fauquier, Virginia owns and operates a landfill site. State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$7,319,472 reported as landfill closure and postclosure care liability at June 30, 2005, represents the cumulative amount reported based on the use of 90.60% of the estimated capacity of the old landfill and the use of 26.50% of the estimated capacity of the new landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$494,859 on the old landfill as the remaining estimated capacity is used. The County will recognize the remaining estimated cost of closure and postclosure care of \$7,072,291 on the new landfill as the remaining estimated capacity is used. These amounts are based on what it would cost to perform all closure and postclosure care in 2005. The County expects to close the old landfill in the year 2007 and expects to close the new landfill in the year 2019. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The County intends to fund these costs from tipping fee revenues.

NOTE 17 – FUND BALANCES/NET ASSETS

Reserved fund balances are a portion of the governmental fund's net assets that are not available for appropriation. Encumbrances are not included in current-year expenditures or liabilities, but represent commitments for future expenditures. Noncurrent receivables represent the amount due from Fauquier County Water and Sanitation that will not be received in the next fiscal year.

Reserved Fund Balances as of June 30, 2005:

Primary Government

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Primary Government
Reserved for:				
Encumbrances	\$ 537,304	\$ 2,563,674	\$ -	\$ 3,100,978
Total	\$ 537,304	\$ 2,563,674	\$ -	\$ 3,100,978

Designated fund balances are for future years' expenditures including the reappropriation of portions of the FY2005 budget and the appropriation of undesignated fund balance for utilization in a future period.

Designated Fund Balances as of June 30, 2005:

Primary Government

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Primary Government
Designated for:				
Grants and special projects	\$ 223,102	\$ -	\$ -	\$ 223,102
Future years' expenditures	5,785,205	-	-	5,785,205
Construction projects	-	30,868,038	-	30,868,038
Total	\$ 6,008,307	\$ 30,868,038	\$ -	\$ 36,876,345

Designated unreserved fund balances represent management's intended future use of resources and are available for appropriation.